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SUBJECT: EU INVESTMENT CLIMATE STATEMENT, 2010

REF : 09 STATE 124006

BRUSSELS 00000176 001.4 OF 018

¶1. Per reftel, this is the 2010 Investment Climate Statement for the European Union. Post will email Word versions as instructed in reftel. The statement covers the following categories:

--Openness to Foreign Investment
--Conversion and Transfer Policies
--Expropriation and Compensation
--Dispute Settlement
--Performance Requirements and Incentives
--Right to Private Ownership and Establishment
--Protection of Property Rights
--Transparency of Regulatory System
--Efficient Capital Markets and Portfolio Investment
--Political Violence
--Corruption
--Bilateral Investment Agreements
--OPIC and Other Investment Insurance Programs
--Labor
--Foreign-Trade Zones/Free Ports
--Foreign Direct Investment Statistics
--Web Resources

OPENNESS TO FOREIGN INVESTMENT
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EU Treaty Provisions Governing Investment/Historical Background

¶2. The European Union has one of the most hospitable climates for U.S. investment in the world, with the historical book value of U.S. investment in the 27 EU member states exceeding $1.6 trillion. This is a result, in part, of the process of European integration. The 1957 Treaty of Rome (now renamed, with the December 2009 entry into force of the Lisbon Treaty, the "Treaty on the Function of the European Union" - TFEU) established the European Community among six European countries (Belgium, France, Germany, Italy, the Netherlands and Luxembourg; this has now grown into a European Union of 27 countries covering virtually all the territory of Europe. TFEU Article 43 requires all of these EU "Member States" to provide national treatment to investors from other Member States regarding the establishment and conduct of business.

¶3. The TFEU also continues and deepens the Treaty of Rome's "four freedoms" (free movement of capital, labor, goods and persons) within the European Union. The free movement of capital requirement in particular benefits all potential investors, whether they originate from an EU Member State or not. Investors in principle are guaranteed national treatment. Finally, any violation of these rights can be adjudicated by the European Court of Justice, which may hear cases related to violations of Treaty rights directly, or overturn national court decisions found inconsistent with the Treaty. This was a remarkable achievement, given that the six original signatories to the Treaty had been at war with one another just over a decade previously.

¶4. The 1986 Single European Act further reduced barriers to intra-EU investment, and legislation adopted subsequently even created opportunities for companies from one Member State to receive better than national treatment in another Member State. For example, in the financial services sector, German universal banks can conduct securities business freely in other Member States, even if local banks are not allowed to offer these services domestically by their local licensing authority.

¶5. Prior to the 1992 Treaty on the European Union (TEU, often known as the "Maastricht" Treaty), the Community had virtually no role in determining conditions that would affect the entry of investors from third countries into the territories of the Member States. Member

States were compelled by the Treaty to grant national treatment to investors from other EU countries (including subsidiaries owned by third countries), but could erect and maintain barriers to investors coming directly from non-EU countries, consistent with their international obligations. These obligations include the Treaties of Friendship, Commerce and Navigation (FCNs) and Bilateral Investment Treaties (BITs) which the United States has with most EU countries, as well as obligations under the OECD codes on capital movements and invisible transactions. The only role Community law played was to ensure that a foreign-owned company that was established in one Member State received non-discriminatory treatment in other Member States, as mandated under Article 43 of the TFEU.

¶6. EU power to regulate Member State treatment of incoming foreign



investment increased considerably in 1993. A Treaty revision that year abolished all restrictions on the movement of capital, both between EU Member States and between Member States and third countries (Article 56). However, Member State measures in force on December 31, 1993 denying national treatment to third-country investors were grandfathered. The Treaty (then Article 57) expressly provided for the adoption of common regimes in these areas: "The Council may, acting by a qualified majority on a proposal from the Commission, adopt measures on the movement of capital to or from third countries involving direct investment establishment, the provision of financial services or the admission of securities to capital markets. Unanimity shall be required for measures under this paragraph which constitute a step back in Community law as regards the liberalization of the movement of capital to or from third countries." The generally accepted interpretation of this provision was that EU law governed the treatment of incoming investments (excepted where grandfathered provisions existed) and their treatment after establishment, while the Member States were responsible for ensuring the treatment of their investors outside the territory of the EU.

¶7. In June 1997, the European Commission issued a Communication clarifying the scope of EU Treaty provisions on capital movements and the right of establishment. The Commission was reacting to limits that some Member States had imposed on the number of voting shares investors from other Member States could acquire during privatization. The Commission stressed that free movement of capital and freedom of establishment constitute fundamental and directly applicable freedoms established by the Treaty. Nationals and companies of other Member States should, therefore, be free to acquire controlling stakes, exercise the voting rights attached to these stakes and manage domestic companies under the same conditions laid down by a Member State for its own nationals. The European Court of Justice ruled in three precedent-setting cases in 2002 against golden shares in France, Belgium and Portugal, triggering several infringement actions by the Commission. The Court subsequently ruled against golden share cases in other Member States.

¶8. In June 2007, a new EU Directive to strengthen investor cross-border voting rights came into force. The Directive bolsters cross-border investment by abolishing shareholder voting impediments then prevalent in several Member States, such as the inability to vote electronically or by proxy. It is not yet clear how the Directive is being implemented by the affected Member States and whether the Commission will need to take legal action to compel implementation.

¶9. As discussed in more detail in the Capital Markets section below, in November 2007, the EU's Markets in Financial Instruments Directive (MiFID) came into force. This law seeks to eliminate many barriers to cross-border stock trading by establishing a common framework for European securities markets, increasing competition between market exchanges, raising investor protection and providing investors a broader range of trading venues. It gives EU securities exchanges, multilateral trading facilities and investment firms a "single passport" to operate throughout the EU on the basis of authorization in their home Member States. MiFID is broadly considered a success.

¶10. At the Commission's request, and in order to identify possible areas of improvement, the Committee of European Securities Regulators (CESR) is evaluating MiFID's impact. CESR's preliminary assessment has shown that the introduction of MiFID significantly changed the secondary markets landscape across Europe, in particular through the introduction of new Multilateral Trading Facilities (MTF) platforms, increasing competition between trading venues, resulting in downward pressures on direct execution costs.

¶11. However, market participants expressed concerns over:

-- a number of pre-trade transparency issues ranging from interpretation issues, to potentially undesirable impacts on innovation and an unlevel playing field between various trade execution venues;

-- market data fragmentation, in particular that there would be a need for better quality of post-trade data and a consolidated set of market data;

-- the existence of a level playing field among trading platforms, both by regulated markets vis-`-vis MTFs and by regulated markets and MTFs vis-`-vis investment firms' OTC activities.



The report is expected to be finalized during the first quarter of ¶2010.

¶12. In January, 2008, the European Commission proposed to remove barriers to cross-border venture capital investment and fundraising. The Commission proposal would authorize national regulators to recognize venture capital funds operating in other EU Member States in order to help innovative small businesses access risk capital. The Commission invited Member States, when reviewing existing or adopting new legislation, to enable cross-border operations and consider mutual recognition of venture capital funds.

Lisbon Treaty Impacts

¶13. The entry into force in December 2009 of the Lisbon Treaty changes EU jurisdiction over direct investment issues in major respects. Full implications of Lisbon in this area are still unclear, however, and will need to be agreed upon by EU institutions. As noted above, after the Maastricht Treaty the EU and the Member States essentially divided responsibility for the treatment of foreign investment, with EU law covering investment inflows and post-establishment treatment within the EU, while the member states remained "competent" for some aspects of establishment of foreign investments and for protections for their investors overseas. Article 207 of the Lisbon Treaty, however, now brings "Foreign Direct Investment" under the umbrella of the EU common commercial policy, making it an exclusive EU competence. FDI is not defined in the treaty, though, leaving the practical implications of the Treaty for EU external investment policies still to be defined.

¶14. If, as expected, the term "Foreign Direct Investment" is interpreted broadly, this would extend EU authority over much of the subject matter, including both internal and external investment liberalization and investment protection, heretofore addressed by Member State International Investment Agreements. The EU will gain the ability to negotiate Bilateral Investment Treaties (BITs) or investment chapters of Free Trade Agreements. Also, the Lisbon Treaty requires the consent of the European Parliament for new EU investment agreements.

¶15. A narrow definition of FDI, on the other hand, may potentially not limit authority of Member States to pursue external protections in their BITs. If Member States and the Commission cannot agree on a common definition of FDI treatment under Lisbon, it likely would fall to the European Court of Justice to provide clarity. The EU is thus likely to only gradually extend its activity in the area of investment agreements, given the time it will take to clarify and define the issues above. In the meantime, EU Member State investment treaties will remain in force.

U.S.-EU Efforts to Promote Open Investment

¶16. In November 2007, the United States and the European Commission under the umbrella of the Transatlantic Economic Council (TEC) launched a "U.S.-EU Investment Dialogue" to reduce barriers to transatlantic investment and promote open investment regimes globally. Thet recently he Dialogue prepared fo discussing 7urther Investment Dialogue
meetings Qn 2010, and continue to discuss the evolving EUrole with respect to foreign investment in other fora.

Ownership Restrictions and Reciprcity Provisions

¶17. EU Treaty Articles 43 (Qstablishment) and 56/57 (capital movements) hQlped the EU to create one of the most hospitablQ legal frameworks for U.S. and other forei'n investment in the world. However, restrictions on foreign direct investment do exist. UnderQ EU law, the right to provide aviation transpoQt services within the EU is reserved to firmsrovide maritime transport services within certain EU Member States is also estricted. Currently, EU banking, insurance Qnd investment services directives include "reciprocal" national treatment clauses, under which financial services firms from a third country may be denied the right to establish a new business in the EU if the EU determines that the investor's home country denies national treatment to EU service providers. In addition, as with the United States, a number of regulatory



measures, particularly in the financial sector, are also subject to "prudential exceptions" and thus are not guaranteed national and most favored nation treatment under the EU's GATS and other international commitments.

¶18. In March 2004 the Council of Ministers approved a Directive on takeover bids ("Takeover Directive"), which sought to create favorable regulatory conditions for takeovers and to boost corporate restructuring within the EU. The Directive authorizes Member States

and companies to ban corporate defensive measures (e.g. "poison pills" or multiple voting rights) against hostile takeovers. It includes a "reciprocity" provision to allow companies that otherwise prohibit defensive measures to sue if the potential suitor operates in a jurisdiction that permits takeover defenses. Article 12.3 of the text is ambiguous as to whether the reciprocity principle applies to non-EU firms. However, the preamble states that application of the optional measures is without prejudice to international agreements to which the Community is a party. France has indicated its intent to apply reciprocity to third countries. Some other Member States appear to be leaning in the same direction.

¶19. The Takeover Directive was due to be implemented by Member States by May 20, 2006, but full implementation was delayed. By February 2007, seventeen Member States had transposed the Directive or adopted necessary framework rules. Other Member States implemented the Directive throughout 2007-08.

Energy Sector Liberalization

¶20. In September 2007 the European Commission introduced legislation intended to increase competition and investment in the gas and electricity sectors, featuring controversial plans to separate the production and distribution arms of large integrated energy firms. After a year of negotiation over competing proposals, the French Presidency of the EU forged a political compromise during the EU Energy Ministers meeting of October 10, 2008. On June 25, 2009, after passage by the European Parliament, the European Union officially adopted the Third Energy Package, legislation consisting of two directives and three regulations designed to promote internal energy market integration and to enhance EU energy security.

¶21. Specifically, the legislation mandates the separation of energy production and supply from transmission through the unbundling of European energy firms. The objective is to create a level playing field by preventing companies engaged in the generation and distribution of gas and electricity from using their privileged position to prevent access to transmission systems or limit connectivity of transmission networks. The original concept, which mandated full ownership unbundling, has been broadened and permits energy firms that operate within the European market three options: 1) full ownership unbundling; 2) an Independent System Operator (ISO); and 3) an Independent Transmission Operator (ITO).

¶22. Additionally, the package includes a "Third Country Clause" that requires all non-EU countries to comply with the same unbundling requirements as EU companies before they are certified to own and/or operate transmission networks in the Common Market. Moreover, the clause permits Member States to refuse a foreign company certification/permission to acquire or operate a transmission network - even if it meets other requirements - if it is deemed to have a potential negative impact on the security of energy supply of an individual Member State or the EU as a whole. Member States are required to seek the opinion of the Commission with regards to the unbundling requirement and "security of supply" issue. The Commission's opinion is not binding, but Member States must take it into consideration. Member States have up to 18 months to put most of the package into effect; however, implementation of the Third Country Clause can take up to three-and-a-half years.

## CONVERSION AND TRANSFER POLICIES

¶23. Europe's single currency, the Euro, and the eleven remaining national EU Member State currencies are freely convertible. The EU, like the U.S., places virtually no restrictions on capital movements. Article 56 of the EU Treaty specifically prohibits restrictions on the movement of capital and payments between Member States and between Member States and third countries, with the grandfathered exceptions noted above. The adoption of the Euro in 16 of the 27 EU Member States has shifted currency management and control of monetary policy to the European Central Bank (ECB) and the EU Council of Ministers. In recent years, EU members Malta and Cyprus adopted the Euro on January 1, 2008; Slovakia adopted the



currency a year later, on January 1, 2009.

¶24. Remaining new EU Member States must join the Euro upon meeting specific economic convergence criteria although no time limit is placed for the application process to be completed. The global financial crisis initially led some countries outside of the Eurozone, including Denmark, to consider accelerating entry into the zone. More recently, however, high deficits and debt crises in Greece, and to a lesser degree Portugal and Spain, have raised questions over the stability of the Eurozone. While Estonia, with relatively high macroeconomic stability, seeks to enter the Eurozone in 2011, most other remaining EU members are expected to enter in 2014 or later.

## EXPROPRIATION AND COMPENSATION

¶25. The European Union does not have the authority to expropriate property; this remains the exclusive competence of the Member

States.

DISPUTE SETTLEMENT
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¶26. Foreign investors can, and do, take disputes against Member State governments directly to local courts. In addition, any violation of a right guaranteed under the EU law - which has been ruled supreme to Member State law, including constitutional law - can be heard in local courts or addressed directly by a foreign investor with a presence in a Member State to the European Court of Justice. Further, all EU Member States are members of the World Bank's International Center for the Settlement of Investment Disputes (ICSID), and most have consented to ICSID arbitration of investment disputes in the context of individual bilateral investment treaties. While the EU is not itself a party to ICSID or other such arbitration conventions, it has stated its willingness to have investment disputes subject to international arbitration.

PERFORMANCE REQUIREMENTS AND INCENTIVES
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¶27. The approach of the ten-year anniversary - January 1, 2009 - of the implementation of European Economic and Monetary Union sparked interest in a coordinated tax policy among some EU officials. Subsequently, however, Member States and key Commissioners rejected proposals to move toward tax harmonization or create a "common consolidated tax basis" across Member States. European Union grant and subsidy programs are generally available only for nationals and companies based in the EU, but usally on a national treatment basis. For more information, see Chapter 7 "Trade and Project Financing" in the EU Country Commercial Guide as well as individual Country Commercial Guides for Member State practices.

RIGHT TO PRIVATE OWNERSHIP AND ESTABLISHMENT
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¶28. The right to private ownership is firmly established in EU law, as well as in the law of the individual Member States. See individual country commercial guides for EU Member State practices.

PROTECTION OF PROPERTY RIGHTS
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¶29. The EU and its Member States support strong protection for intellectual property rights (IPR) and other property rights. The EU and/or its Member States adhere to all major intellectual property rights agreements and offer strong IPR protection, including implementation of the WTO TRIPS provisions. Together, the U.S. and the EU have committed to enforcing IPR in third countries and at our borders in the EU-U.S. Action Strategy endorsed at the June 2006 U.S.-EU Summit.

¶30. In October 2007, the U.S. and key trading partners announced their intention to negotiate an Anti-Counterfeiting Trade Agreement (ACTA) in order to bolster efforts to combat counterfeiting and piracy by identifying a new, higher benchmark for enforcement that countries can join on a voluntary basis. Talks continued through 2009, with a 7th round occurring in January 2010 in Mexico.

¶31. Despite overall strong support for IPR enforcement, several EU Member States have been identified in the U.S. Special 301 process due to concerns with protection of certain intellectual property rights. The United States continues to be engaged with the EU and individual Member States on these matters.



Enforcement of Intellectual and Industrial Property Rights

¶32. In April 2004, the EU adopted the Intellectual Property Enforcement Directive (IPRED) (http://ec.europa.eu/internal_market/iprenfor cement/ directives_en.htm). This Directive requires Member States to apply effective and proportionate remedies and penalties to form a deterrent against counterfeiting and piracy and harmonizes measures, procedures, and remedies for right holders to defend their IPR within Member States. Remedies available to right holders under IPRED include the destruction, recall, or permanent removal from the market of illegal goods, as well as financial compensation, injunctions, and damages. Although Member States were to have transposed the Directive into national legislation by April 2006, Luxembourg, the last to do, implemented IPRED in May 2009.

¶33. In January 2008 the European Court of Justice (ECJ) issued a decision confirming that EU rules do not require countries to disclose names of Internet file sharers in civil cases. Spanish firm Promusicae and other European rights holders had hoped that the ECJ would rule that Telefonica (a Spanish Internet service provider) had to provide the proper data to protect its property rights. The Court, however, ruled that Member States could - but do not have to - require communication of personal data to ensure effective copyright protection in the context of civil proceedings as long as such national laws are not in conflict with the fundamental EU rights of respect for private life and protection of personal data.

¶34. At the 2nd High Level Conference on Counterfeiting and Piracy April 2, 2009, the Commission launched the European Observatory on Counterfeiting and Piracy. The role of the Observatory, which is composed of private industry representatives and designees chosen by Member States, is to serve as the central resource for gathering, monitoring and reporting information related to IPR infringement in the EU. The first meeting of the Observatory took place September 4, 2009. Two initial subgroups were created to look at issues surrounding data gathering and existing legal frameworks.

Specific Enforcement Measures

¶35. Copyright: In 2001, the EU adopted Directive 2001/29 establishing pan-EU rules on copyright and related rights in the information society. In December 2006, the Council and Parliament passed an updated version of the 2001 Copyright Directive modified to clarify terms of copyright protection. This new Directive entered into force in January 2007. The Directive is meant to provide a secure environment for cross-border trade in copyright-protected goods and services, and to facilitate the development of electronic commerce in the field of new and multimedia products and services. Authors' exclusive reproduction rights are guaranteed with a single mandatory exception for technical copies, and an exhaustive list of exceptions to copyright which are optional for Member States in terms of including them in national law. The Commission released a comprehensive anti-counterfeiting plan, including criminal enforcement of IPR, which was supported by the Council in September 2008.

¶36. In April 2009 the Parliament approved a Commission proposal to extend term of copyright protection for performers and record producers from 50 to 70 years. The proposal also contains a new claim for session players amounting to 20 percent of record labels' offline and online sales revenue, a 'use-it-or-lose-it' provision that allows performers to recover their rights after 50 years, should the producer fail to market the sound recording, a so-called 'clean slate' which prevents record producers from making deductions to the royalties they pay to featured perormers. The text also invites the Commission to conduct a separate impact assessment on audiovisual performers and to come forward with appropriate proposals in the course of 2010.

¶37. The Commission launched a public consultation on a reflection paper on the challenge of creating a European Digital Single Market for creative content like books, music, films or video games. The focus on the consultation, open from October 22, 2009 to January 5, 2010, was to solicit views from rightholders, consumers, and commercial users regarding the digital availability of content in Europe. The consultation will be used to inform the Commission's crafting of consumer- and competition-friendly rules needed to create a genuine Single Market for creative content on the internet.

¶38. On December 14, 2009, the European Union and Member States ratified the World Intellectual Property Organization (WIPO)



Copyright Treaty and the WIPO Performances and Phonograms Treaty.
¶39. Trademarks: Registration of trademarks with the European Union's Office for Harmonization in the Internal Market (OHIM) began in 1996. OHIM issues a single Community Trademark (CTM) that is valid in all EU Member States. In October 2004 the European Community acceded to the World Intellectual Property Organization (WIPO) Madrid Protocol. The accession of the Community to the Madrid Protocol established a link between the Madrid Protocol system, administered by WIPO, and the Community Trademark system, administered by OHIM. Since October 2004 Community Trademark applicants and holders have been allowed to apply for international protection of their trademarks through the filing of an international application under the Madrid Protocol. Conversely, holders of international registrations under the Madrid Protocol are entitled to apply for trademark protection under the Community trademark system. The link between the OHIM and the WIPO registration systems allows firms to profit from the advantages of each while reducing costs and simplifying administrative requirements.

¶40. On March 31, 2009, the Commission announced new, lower fees and simplified procedures for EU-wide trademark rights, eliminating registration fees and reducing application fees by 40 percent. The new rates entered into force May 1, 2009, and applications for trademarks can be done online. In October 2009 the Commission awarded a contract for a study on the trade mark system in Europe to the Max Planck Institute for Intellectual Property, Competition and Tax Law. The aim of the study is to assess the current state of play of the Community trade mark system and the potential for improvement and future development.

¶41. Designs: The EU adopted the Community Designs Regulation, a Regulation introducing a single Community system for the protection of designs, in December 2001. The Regulation provides for two types of design protection, directly applicable in each EU Member State: the Registered Community Design (RCD) and the unregistered Community design. Under the Registered Community Design system, holders of eligible designs can use an inexpensive procedure to register them with OHIM, and will then be granted exclusive rights to use the

designs anywhere in the EU for up to twenty-five years.
Unregistered Community designs that meet the Regulation's requirements are automatically protected for three years from the date of disclosure of the design to the public. Protection for any registered Community design was automatically extended to Romania and Bulgaria when those countries acceded to thethat belongs to the 08 OHIhelp acceleraQQnt paves the way for further discussion towards a future patent system, but, given institutional and procedural hurdles, such a system is likely still one or more years away.

¶44. At present, the most effective way to secure a patent across EU national markets is to use the services of the European Patent Office (EPO). EPO offers a one-stop-shop enabling right holders to obtain various national patents using a single application. However, these national patents have to be validated, maintained and litigated separately in each Member State. In September 2008 the EPO and the U.S. Patent and Trademark Office (USPTO) launched the Patent Prosecution Highway, a joint trial initiative leveraging fast-track patent examination procedures already available in both offices to allow applicants to obtain corresponding patents faster and more efficiently. This will permit each office to exploit work already done by the other office and reduce duplication. In addition, the two offices, along with the patent offices of Japan, Korea, and China, announced a joint agreement (IP5) in November 2008



to undertake projects to harmonize the environment for work sharing and eliminate unnecessary work duplication.

¶45. Geographical Indications: The United States continues to have concerns about the EU's system for the protection of Geographical Indications (GIs). In a WTO dispute launched by the United States, a WTO panel found that the EU regulation on food-related GIs was inconsistent with EU obligations under the TRIPS Agreement and the General Agreement on Tariffs and Trade of 1994. In its report, the panel determined that the EU regulation impermissibly discriminated against non-EU products and persons, and agreed with the United States that the EU could not create broad exceptions to trademark rights guaranteed by the TRIPS Agreement. The panel's report was adopted by the WTO Dispute Settlement Body (DSB) in April 2005. In response to the DSB's recommendations and rulings, the EU published an amended GI regulation, Council Regulation (EC) 510/06, in March 2006 (amended by Council Regulation (EC) 179/2006 and Commission Regulation 417/2008). The United States continues to have some concerns about this amended regulation, about the recently promulgated Council Regulation (EC) 479/08, which relates to wines, and about Commission Regulation (EC) 607/09, which relates inter alia, to GIs and traditional terms of wine sector products. The United States is carefully monitoring the application of these regulations.

¶46. EU International Efforts to expand GI protection: The EU continues to campaign to have its geographical indications protected throughout the world without regard to consumer expectation in individual markets, and to expand the negotiations for a registry of geographical indications beyond wines and spirits to other foodstuffs. This has developed into a major EU priority in the context of the Doha Development Agenda negotiations in the WTO, in which a discussion is ongoing concerning the extension of so-called "additional" GI protection to products in addition to wine and spirits. The U.S. and other WTO members continue to oppose the EU's proposals to extend "additional" GI protection, noting that the objective of effective protection of such indications can be accomplished through existing GI obligations.

¶47. U.S.-EU coordination on IP counterfeiting and piracy: Since the U.S.-EU summit of June 2005, where leaders agreed to more closely cooperate on IPR enforcement, the U.S. and the EU have intensified customs cooperation and border enforcement, strengthened cooperation with and in third countries, and built public-private partnerships and awareness raising activities together. The U.S.-EU action strategy for the enforcement of intellectual property was launched at the US-EU Summit in June 2006. Since then, U.S. and EU officials have regularly met with stakeholders to identify new areas for cooperation including capacity building, joint messaging and coordinated border actions as well as continued U.S.-EU multilateral cooperation toward successful conclusion of the Anti-Counterfeiting Trade Agreement.

¶48. On February 22, 2008, the United States and European Union announced the results of Operation Infrastructure, the first joint IPR operation undertaken by the U.S. Customs and Border Protection and the EU. The operation resulted in the seizure of over 360,000 counterfeit integrated circuits and computer network components bearing more than 40 different trademarks. At the September 2009 session of the U.S.-EU IPR Working Group, U.S. and EU Customs officials rolled out a new brochure titled "Protecting Intellectual Property at Our Borders," and a webkit providing information to rights holders on how to work with Customs officials to obtain enforcement of intellectual property rights in both markets.

TRANSPARENCY OF REGULATORY SYSTEM
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¶49. The EU is widely recognized as having a generally transparent

regulatory regime. The Commission, which has the sole authority to propose EU-level laws and regulations, generally announces an interest in legislating in a certain area, issuing a "green paper" for broad discussion, followed by a "White Paper" with more detail on the proposed measure, and eventually a formal legislative proposal. The Member State Ministers and experts examine and amend these proposals in Council in tandem with European Parliament consideration of them; Council decisions and EP amendments are publically available. Informal working documents are not published, but interested parties usually can get fairly detailed information as these processes unfold. All adopted measures are published in 22 languages in the EU's Official Journal, which is available on line.

¶50. Despite this overall transparency, the EU has worked to improve transparency and simplify its regulatory system. In December 2007



the EU released a comparative study of codes of conduct for public-office holders. To improve lobbying transparency, the Commission set up a voluntary public register in 2007, followed by the establishment of a common code of conduct for all lobbyists in ¶2008. In 2008, the Commission also strengthened the role of the Impact Assessment Board (IAB), and now requires that all Commission proposals undergo IAB scrutiny before they can be adopted.

¶51. In 2005, the Commission adopted an action plan for simplifying existing EU legislation and reducing the administrative burden on stakeholders within the regulatory process. The EU's Better Regulation policy aims at simplifying and improving existing regulation, to better design new regulation and to reinforce the respect and the effectiveness of the rules, while respecting the EU proportionality principle. In 2007, the Commission announced its intention to cut administrative burd

¶52. Iprogram and hlights of our bilateral regulatory cooperQtion include:

--The Forum met twice in 200Q, in July and October. At the July meeting, 4he Forum reviewed progress in the areas of impact assessment, the use of standards in regultion, risk assessment, and import safety.

Q-Energy efficiency standards were among the issQes discussed during the July and October meetings. The two sides agreed to develop an inventory of regulations and initiatives in this aQea.

--OIRA and DG Enterprise presented paperQ during the October meeting describing the U.S. and EU approaches to the use of voluntary standards in support of regulation. Both sides also discussed the usefulness of continued dialogue regarding developments related to the risk analysis and regulation of nanomaterials.

--Contacts between OIRA and the U.S. Office of Science and Technology Policy (OSTP) with the Commission's Directorate of Health and Consumer Affairs (DG SANCO) to facilitate an international dialogue on risk analysis, led to on-going risk analysis discussions starting in July 2008 that included representatives from the United States, EU, and Canada.

--In January 2009 OMB, SANCO, and Canadian government risk managers reinstituted the practice of weekly conference calls to ensure progress in work groups that will develop white papers in three focus areas: 1) development of a framework for exposure assessment; 2) uncertainty and terminology; and 3) new/rapid approaches to risk assessment. The risk assessment papers are expected to be available for broad discussion in 2010.

--CPSC and DG SANCO agreed to discuss the follow-up to the 2008 trilateral meetings and outreach with China. CPSC and DG SANCO will



meet in early 2010 to discuss the way forward, including a possible trilateral to be hosted by Beijing in 2010.

EFFICIENT CAPITAL MARKETS AND PORTFOLIO INVESTMENT
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¶55. The EU Treaty specifically prohibits restrictions on capital movements and payments between the Member States and between the Member States and third countries.

¶56. The single market project has spurred efforts to establish EU-wide capital markets. The EU has acted to implement the 1999 Financial Services Action Plan (FSAP) to establish legal frameworks for integrated financial services (banking, equity, bond and insurance) markets within the EU. By the end of 2008, the EU had adopted and almost fully implemented 43 of the 45 measures to increase market and regulatory efficiency and increase coordination among Member State supervisory and regulatory authorities, and has acted to implement the remaining two measures.

¶57. FSAP measures include Directives on: Prospectuses (permitting one approved prospectus to be used throughout the EU), Transparency (detailing reporting requirements for listed firms, including

adoption of International Accounting Standards), Markets in Financial Instruments (MiFID - providing framework rules for securities exchanges and investment firms), Takeover Bids (to facilitate cross-border takeovers), and Capital Requirements (implementing the Basel II Accord- see EU responses to financial crisis).

¶58. Accounting equivalence: On December 12, 2008, the European Commission granted equivalence to the Generally Accepted Accounting Principles (GAAPs) of certain third countries (including the U.S.) as from January 2009. As a result, foreign companies listed on EU markets are able to file their financial statements prepared in accordance with those GAAPs.

¶59. Review of the Prospectus and Transparency Directives: In September 2009 the Commission proposed legislation reviewing the Prospectus Directive, in order to increase efficiency and legal clarity in the prospectus regime, to reduce administrative burdens for issuers and intermediaries, and to enhance investor protection. The Prospectus Directive lays down rules governing information that must be available to the public in case a public offer or admission to trading of transferable securities in a regulated market takes place in the EU. The main changes proposed are as follows:

-- certain securities issues will be subject to less comprehensive disclosure requirements (small companies, small lenders, rights issues and government guarantee schemes);

-- the format and content of the prospectus summary have been improved;

-- there are clearer exemptions from the obligation to publish a prospectus when companies sell through intermediaries ("retail cascades") and for employee share schemes;

-- disclosure requirements that currently overlap with the Transparency Directive will be repealed;

-- issuers of all non-equity securities will be able to determine their home Member State;

-- the definition of 'qualified investors' in the Prospectus Directive will be aligned with the one of 'professional clients' as defined in the MiFID.

Outlook: The Council and the European Parliament are currently working on this issue, but neither has reached an agreement. The European Parliament plans to adopt the text in the first reading in April 2010.

¶60. Solvency II: Solvency II is the new risk-based solvency regime for the EU insurance sector, approved in 2009 and due to come into force in 2012. It introduces the concepts of group solvency and group supervision. Third-country insurers will be allowed to operate in the EU if their home country regulatory framework is found to be equivalent to the EU's. Third-country insurers whose home jurisdictions have not been found equivalent will likely have to establish a holding company in the EU.

Outlook: The Committee of European Insurance and Occupational Pensions Supervisors (CEIOPS) published draft criteria for assessing



the equivalence of third country regimes on November 30. Final criteria are expected in March 2010. The Commission will make its equivalence decision by June 2012, on the basis of these criteria, and after having received advice from CEIOPS on the individual country assessments. It is not clear whether the United States will be determined equivalent, as the EU has on numerous occasions expressed concern that the state-based insurance regulatory regime in the U.S. creates discriminatory features for foreign insurance companies.

¶61. Reform of mutual funds oversight: In January 2009 the European Parliament adopted legislation to achieve a less fragmented and more efficient investment fund market in the EU. UCITS -- Undertakings for Collective Investment in Transferable Securities -- are investment funds sold under a common set of EU rules for investor protection and cost transparency, and that meet basic requirements on organization, management and oversight of funds. UCITS funds manage approximately 6.4 trillion and account for 11.5% of EU household financial assets. The legislation includes a provision for a management "passport," which will make it easier and less expensive for investment funds to operate outside their state of origin. Member States are required to implement the legislation by ¶2011. The Committee of European Securities Regulators (CESR) has been asked by the Commission to provide it with technical advice on the new UCITS Directive implementing measures. CESR's advice is expected in Spring 2010.

¶62. Sovereign wealth funds: The Commission outlined its approach to Sovereign Wealth Funds (SWFs) in a February 2008 Communication. The EU intends to keep markets open for foreign capital, support multilateral efforts (such as those which have been conducted by the IMF and the OECD), rely on existing laws, respect the EU Treaty, and ensure proportionality and transparency. The EU supported the IMF

work stream that produced the Santiago Principles for SWFs in October 2008, and the OECD parallel work stream that adopted, also in October 2008, a framework and guidelines for recipient countries of SWF investment.

¶63. Retail Services: The EU has also focused on deepening integration of retail financial services markets, although this has become less immediate as a result of the financial crisis. In May 2007 the Commission issued a Green Paper laying out goals and launching a debate on future EU policy on retail financial services. In November 2007 the Commission released a package of initiatives to modernize the EU single market, including steps to increase consumer choice of banking services, facilitate switching of banking accounts, complete the development of the Single Euro Payments Area (SEPA), and improve transparency of retail investment products. Work on the initiatives, which enjoy broad support from the industry, continues. In November 2009 the SEPA Direct Debit scheme took effect, which allowed consumers to make cross-border direct debits in Euros at the same cost as national direct debits. This had already been the case with credit transfers, ATM cash withdrawals and card payments.

¶64. The transposition into national law of the Payment Services Directive (PSD), SEPA's legal basis, was supposed to have been completed by November 1, 2009. Eight Member States (Cyprus, Greece, Finland, Italy, Latvia, Malta, Poland and Sweden), however, still need to adopt relevant legislation. Adoption and entry into force is expected in April 2010 at the latest. In Belgium, Estonia and Norway entry into force has been delayed and will happen by March ¶2010.

¶65. In December 2008 the banking industry took up the Commission's invitation and adopted a set of 'Common Principles for Bank Account Switching'. According to the Principles, if a consumer wishes to change banks, within the same Member State, the new bank will act as the primary contact point and offer its assistance throughout the switching process. The Principles were applied in each Member State as of November 1, 2009.

Regulatory Responses to the Financial Crisis

¶66. In response to the growing impact of the global financial crisis in Europe during Fall 2008, the Commission put forward several legislative proposals to address what was increasingly perceived as an unacceptable degree of deregulation in the financial sector, particularly in the wake of massive injections of public money to rescue weak financial institutions.

¶67. Credit Rating Agencies (CRAs): In November 2009 the Regulation on Credit Rating Agencies entered into force. The Regulation introduces a legally binding authorization and supervision regime,



and stipulates that only ratings issued by EU-registered CRAs can be used by EU financial institutions for regulatory purposes. It also addresses conflict of interest issues and introduces certain governance requirements.

¶68. For third-country CRAs, the Regulation introduces two mechanisms:

a) Equivalence determination: For systemically relevant CRAs, the ratings of entities established, or financial instruments issued, outside of the EU can be eligible for use in the EU if the CRA's home jurisdiction is found equivalent to the EU. The Committee of European Securities Regulators (CESR) has been tasked with recommending to the Commission which jurisdictions are equivalent.

b) Endorsement: An EU-registered CRA may endorse ratings developed by an unregistered affiliate located outside of the EU on entities established, or financial instruments issued, outside of the EU so that they can be eligible for use in the EU. The endorsing CRA must demonstrate to its regulator that the endorsed ratings have been developed following internal standards "at least as stringent as those" required in the EU, that the affiliate is registered and supervised and that there exist supervisory and cooperation agreements between the home and the EU supervisor.

Outlook: CESR is expected to render its advice to the Commission in April 2010, on whether the U.S., Japan and Canada are equivalent. A Commission decision is expected by September 2010.

¶69. Deposit Insurance: In December 2008 the Council and Parliament approved a Commission proposal to raise the minimum threshold for deposit insurance to 100,000 in two steps, and to harmonize the time period for repayment of deposits. As a result, minimum deposit guarantees were raised to 50,000 on June 30, 2009, and the payout period shortened from the current three months to 20 days. Coverage applies to all depositors in all Member States, regardless of whether the member state is a member of the Eurozone. The threshold was raised to 100,000 on January 1, 2010.

¶70. Alternative Investment Fund Managers Directive (AIFM): In 2008, the European Parliament asked the Commission to enhance regulation of hedge funds and private equity funds. In April 2009 the Commission issued a draft AIFM Directive instituting a

legally-binding authorization and supervision regime for all fund managers managing funds with portfolios in excess of 100 million, or 500 million if unleveraged and with no redemption for a five-year period. The Commission proposed a passport approach that would permit all authorized EU AIFM and equivalent third-country AIFMs to market their funds to professional investors anywhere in the EU. It would impose leverage caps and capital requirements on managers and would mandate that only EU-domiciled credit institutions would be eligible to serve as depositories.

¶71. The work by the EP and the Council has produced draft proposals that soften certain provisions of the original Commission proposals (e.g. on depositaries and leverage), but this has moved away from the Passport approach for equivalent third-country AIFMS.

Outlook: The Spanish Presidency intends to resume discussions amongst Member States on the basis of a new compromise proposal no earlier than February 2010, and hopes to reach a first reading agreement by the end of its Presidency in June 2010.

¶72. Third Amendment to the Capital Requirements Directives: On November 10, 2009, the Economic and Financial Affairs (ECOFIN) Council agreed to support the July 2009 Commission proposal amending for the third time the Capital Requirements Directives (CRD III). The proposed CRD III would strengthen capital requirements for trading book and re-securitization instruments, prevent remuneration polices from encouraging excessive risk-taking in banking, and give supervisors a say in remuneration policies.

Outlook: The relevant EP committee is currently examining the proposal; a vote iex expected in March 2010. The Spanish Presidency aims at a first reading agreement before the end of June Q0.

¶73. Derivatives: In October 2009 the Commission published a Communication outlining possible future steps to regulate the Over the Counter (OTC) derivatives market. Specifically, the Commission aims to:

a) Reduce counterparty risk by establishing common safety, regulatory and operational standards for central counterparties (CCPs), improving collateralization of bilaterally-cleared



contracts, raising capital charges for bilaterally-cleared transactions, and mandate CCP-clearing for standardized contracts;

b) Reduce operational risk by promoting standardization of the legal terms of contracts and of contract-processing;

c) Increase transparency by mandating market participants to record positions and all uncleared transactions in trade repositories, regulating and supervising trade repositories, mandating trading of standardized derivatives on exchanges, and increasing transparency of trading for all derivatives markets including for commodity derivatives; and

d) Enhance market integrity and oversight by clarifying and extending the scope of market manipulation and by giving regulators the possibility to set position limits.

Outlook: The Commission plans to publish draft legislation by mid-2010. The legislation will then need to receive the approval of the Member States and of the EP to become law. It is unclear at this point if the legislative process will be completed before end-2010.

¶74. Bank capital: Leaders at the October 2009 Pittsburgh G-20 Summit called on regulatory authorities to require improved quantity and quality capital by end 2012 as financial conditions improve. These proposals are in line with U.S. proposals on capital. The Basel Committee of Banking Supervisors is making progress to fulfill the G-20 mandate. In December 2009 the Basel Committee released proposals for higher capital requirements, improved quality capital reserves, a maximum leverage ratio, and minimum liquidity requirements. By the end of 2010 a fully calibrated and finalized package of reforms is expected. The Commission has indicated that it will put forward a proposal amending for the fourth time the Capital Requirements Directive (CRD IV) to implement these recommendations. It is expected that the Commission proposal will follow an agreement by the Basel Committee. The amendments are expected to introduce the Basel Committee's conclusions on capital, lending and liquidity requirements. The Commission may also introduce dynamic provisioning principles.

Outlook: In early 2010 the Commission plans to open a public consultation on CRD IV amendments.

Financial Supervision Proposals

¶75. The financial crisis has triggered a deep international debate over how to update current supervisory architecture in order to detect and prevent future crises. The EU is involved directly and indirectly through Member State participation in international bodies (G20, FSB, G8). The Commission has proposed a number of regulatory measures that directly affect the way in which financial supervision at EU level will be carried out in the future (Solvency

II, CRD, CRA).

¶76. Bank supervision authority and enforcement remains a Member State competence. However, three EU-wide communities of sectoral financial supervisors were created some years ago to facilitate efficient and comparable rule making throughout the EU. These are the Committee of European Bank Supervisors (CEBS), composed of Member State supervisors; CESR, the Committee of European Securities Regulators; and CEIOPS, the Committee of European Insurance and Occupational Pensions Supervisors. Financial market turmoil in the second half of 2007 increased discussion among EU institutions of ways to strengthen mechanisms to coordinate financial supervision across the EU.

¶77. In late 2008, the European Commission asked former IMF Director General Jacques de Larosihre to review the EU's financial supervisory architecture and make recommendations for improvement. The "de Larosihre" report, published February 25, 2009, recommended the creation of a European Systemic Risk Board (ESRB) and a European System of Financial Supervisors (ESFS) and has served as the basis for legislative proposals by the Commission seeking to reform the European system of financial supervision at macro and micro prudential levels.

¶78. European Systemic Risk Board: On October 20, 2009, the ECOFIN Council agreed to create the European Systemic Risk Board (ESRB). Its main function will be to monitor and collect information relevant to potential threats and risks to financial stability arising from macro-economic developments and the EU financial system. Its tasks will be the following:



a) Identify and prioritize systemic risks;

b) Issue warnings where such systemic risks are deemed to be significant;

c) Issue recommendations for remedial action in response to the risks identified including, where appropriate, for legislative initiatives;

d) Monitor the follow-up to warnings and recommendations; and

e) Coordinate with international institutions, as well as the relevant bodies in third countries on matters related to macro-prudential oversight;

¶79. Warnings or recommendations may be either of a general or specific nature and shall be addressed to the whole EU, to one or more Member States, to one or more of the European Supervisory Authorities (ESA), or to one or more national supervisory authorities. At ESRB discretion, warnings and recommendations may or may not be public. At the same time, warnings and recommendations will be transmitted to the Council and, if appropriate, to the ESAs. Recommendations will not have legal force, but addressees will have to communicate the actions undertaken in response to them to the Council and the ESRB and provide e Economic andFC); and
-- One represeQompetent national supea rotating basis, depe
discuill be
composed of:

-- The Chair and Vice-Chair oQ the ESRB;
-- Five other members of the General Board (three from a Euro area Member StatQ and two from a non-Euro area Member State);
Q- A Commission representative;
-- The ChairpeQsons of each of the ESAs; and
-- The President of the EFC.

¶84. The Secretariat shall provie analytical, statistical, administrative Qnd logistical support. The ECB has been given Qhe task to staff the Secretariat, which will "e located at the ECB.

¶85. The Advisory Technical Committee will be responsible for providing advice and assistance on technical issues. It will be composed of:

-- A representative of each national central bank;
-- A representative of the ECB;



-- One representative of each of the competent national supervisory authorities;
-- One representative of each of the ESAs;
-- Two Commission representatives; and
-- One representative of the EFC.

¶86. European System of Financial Supervisors: On December 2, the ECOFIN Council agreed to create the European Banking Authority (EBA), the European Insurance and Occupational Pensions Authority (EIOPA), and the European Securities and Markets Authority (ESMA). These new ESAs will replace the existing EU committees for securities (CESR - Committee of European Securities Supervisors),

banking (CEBS - Committee of European Banking Supervisors) and insurance (CEIOPS - Committee of European Insurance and Occupational Pensions Supervisors). The ESAs and national supervisors will form the European System of Financial Supervisors (ESFS).

¶87. The ESAs will have four primary tasks:

a) Develop technical standards to establish a single EU rule book;

b) ensure the consistent application of Community rules;

c) Act in emergency situations; and

d) Settle disagreements between national supervisors.

¶88. Other ESA tasks will include promoting the efficient functioning of Colleges of Supervisors and assessing market developments. The ESAs will also be responsible for collecting information from national authorities and for interfacing with the ESRB. Member States will be able to challenge a decision by an ESA if they believe it impinges on its fiscal responsibility.

¶89. The main decision-making body of the ESAs will be their Board of Supervisors. It will decide by simple majority of its members, and will be composed of:

-- the Chairperson (non-voting);
-- The Head of each national supervisor;
-- One Commission representative (non-voting);
-- One representative of the ESRB (non-voting);
-- One representative of each of the other two ESAs (non-voting).

Outlook: The EP has only begun examining the Commission's proposals, and no opinion has yet been made public. Final approval is expected in June/July 2010, with the new Authorities starting work in 2011.

POLITICAL VIOLENCE
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¶90. Political violence is not unknown in the European Union, but is rare. Such incidents are generally regional in nature, and individual Country Commercial Guides should be consulted for details on problems in specific areas.

CORRUPTION
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¶91. Per EU Treaty Article 280 (5), the EU and the Member States are jointly responsible for the fight against fraud and corruption affecting the EU's financial interests. A detailed overview of EU and Member State achievements in this regard (e.g., increasing EU capacity to conduct anti-fraud investigations, greater cooperation with international partners) is provided in the EU's Anti-Fraud Office (OLAF) most recent annual report (for 2008) on the fight against fraud.

¶92. This report is available online at the EU's Anti-Fraud Office website:

http://ec.europa.eu/anti_fraud/reports/olaf/2 008/EN.pdf

The report broadly outlines the steps that the EU has taken in terms of protecting its financial interests and addressing fraud and reviews major developments in 2008.

BILATERAL INVESTMENT AGREEMENTS
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¶93. The EU as a whole does not yet have any traditional bilateral investment treaties (BITs), although virtually all the Member States have extensive networks of such treaties with third countries. The EU "Europe," "Association" and other agreements with preferential



trading partners have contained provisions directly addressing treatment of investment, generally providing at national treatment after establishment and repatriation of capital and profits. In the context of EU enlargement negotiations, the U.S. Government has conveyed to the EU its concern that U.S. bilateral investment treaties with accession countries not be adversely affected.

¶94. The adoption in December 2009 of the Lisbon Treaty may change in major respects how the EU treats investment (see Openness to Foreign Investment, above), but full implications of Lisbon in this area are still unclear. Since Lisbon makes Foreign Direct Investment an exclusive EU competence, a broad definition of FDI may extend EU authority over much of the subject matter hitherto addressed under member state BITs. This would allow the EU to negotiate BITs, requiring the EU to develop an EU model agreement to be applied to future BITs or investment chapters of FTAs. This would also require the EU to address the legality of existing bilateral FTAs, given the possibility of legal challenges to existing agreements. Commission officials and several European leaders have stressed that Member State bilateral agreements will remain valid under Lisbon, and that existing BITs will be "grandfathered" until an EU-level agreement is concluded with a

country in question. EU leaders also have indicated the EU will move only gradually toward negotiation of BITs, given the time it will take to clarify and define the complex issues involved.

¶95. Other regional or multilateral agreements addressing the admission and treatment of investors to which the Community and/or its Member States have adhered include:

a) The OECD codes of liberalization, which provide for non-discrimination and standstill for establishment and capital movements, including foreign direct investment;

b) The Energy Charter Treaty (ECT), which contains a "best efforts" national treatment clause for the making of investments in the energy sector but full protections thereafter; and

c) The GATS, which contains an MFN obligation on all measures affecting the supply of services, including in relation to the mode of commercial presence.

¶96. Since November 2007 the U.S. and the European Commission have held numerous meetings of a formal bilateral investment dialogue to reduce barriers to transatlantic investment and promote open investment regimes globally (see Openness to Foreign Investment above).

## OPIC AND OTHER INVESTMENT INSURANCE PROGRAMS

¶97. OPIC programs are not available in the EU, as a whole, although individual Member States have benefited from such coverage.

## LABOR

¶98. Issues such as employment, worker training, and social benefits remain primarily the responsibility of EU Member States. However, the Member States are coordinating ever more closely their efforts to increase employment through macroeconomic policy cooperation, guidelines for action, the exchange of best practices, and programmatic support from various EU programs. The best information regarding conditions in individual countries is available through the labor and social ministries of the Member States.

¶99. Helpful information from the EU can be found on the websites for the European Commission's Directorate-General for Employment and Social Affairs, http://ec.europa.eu/social/home.jsp?langId=en , and on the Eurostat website
http://epp.eurostat.ec.europa.eu/portal/page/ portal/
eurostat/home/

¶100. In general, the labor force in EU countries is highly skilled and offers virtually any specialty required. Member States regulate labor-management relations, and employees enjoy strong protection. EU Member States have among the highest rates of ratification and implementation of ILO conventions in the world.

¶101. There is a strong tradition of labor unions in most Member States. In many cases, the tradition is stronger than the modern reality. While Nordic Member States (Denmark, Finland, and Sweden) still have high levels of labor union membership, many other large Member States, notably Germany and the United Kingdom, have seen



their levels of organization drop nearly to U.S. levels (around 20-30 percent). French labor union membership, at less than 10 percent of the workforce, is lower than that of the U.S.

## FOREIGN-TRADE ZONES/FREE PORTS

¶102. EU law provides that Member States manvestment, with $443 billion, followed by the United Kingdom ($421 billion), Luxembourg ($163 billion), and Germany ($111 billion).

¶106. For virtually all EU Member States, the largest "foreign" investors are in fact from other Member States. More statistics on U.S. investment abroad are available at:
http://www.bea.gov/international/di1usdbal.ht m.

## WEB RESOURCES

DG Internal Market and Services
http://ec.europa.eu/dgs/internal_market/index _en.htm

DG Economic and Financial Affairs
http://ec.europa.eu/dgs/economy_finance/index _en.htm

DG Employment and Social Affairs
http://ec.europa.eu/social/home.jsp?langId=en

Office for Harmonization in the Internal Market
http://oami.europa.eu/

EU Anti-Fraud Office
http://ec.europa.eu/anti_fraud/index_en.html

Eurostat - EU Statistical Office
http://epp.eurostat.ec.europa.eu/portal/page/ portal/
eurostat/home/

U.S. Bureau of Economic Analysis - Department of Commerce
http://www.bea.gov



European Patent Office
http://www.epo.org/index.html

KENNARD